

Navin Fluorine International Limited

Result Update Presentation

Q2 FY16

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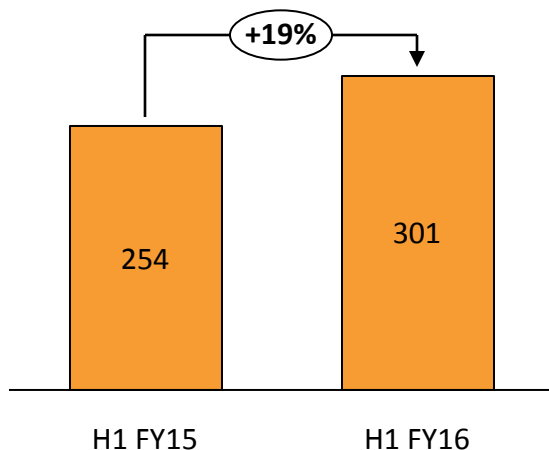
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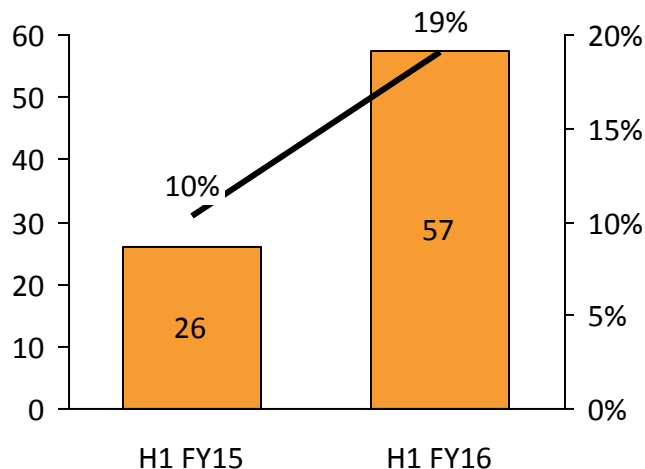
Robust Performance in H1 FY16

Rs.Crs

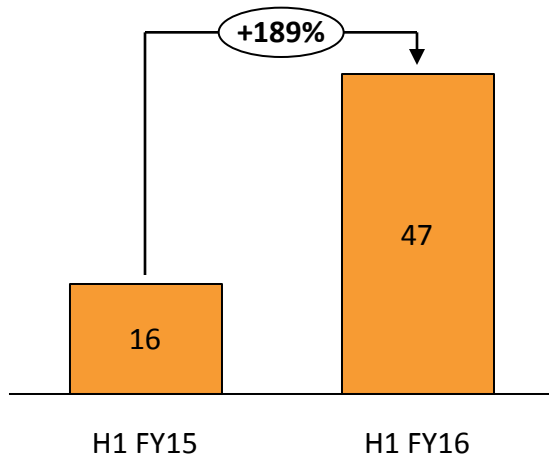
Revenue



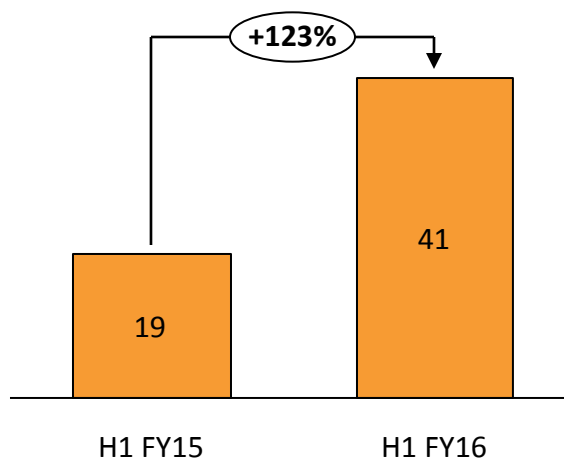
EBITDA & EBITDA Margin



Operating PBT



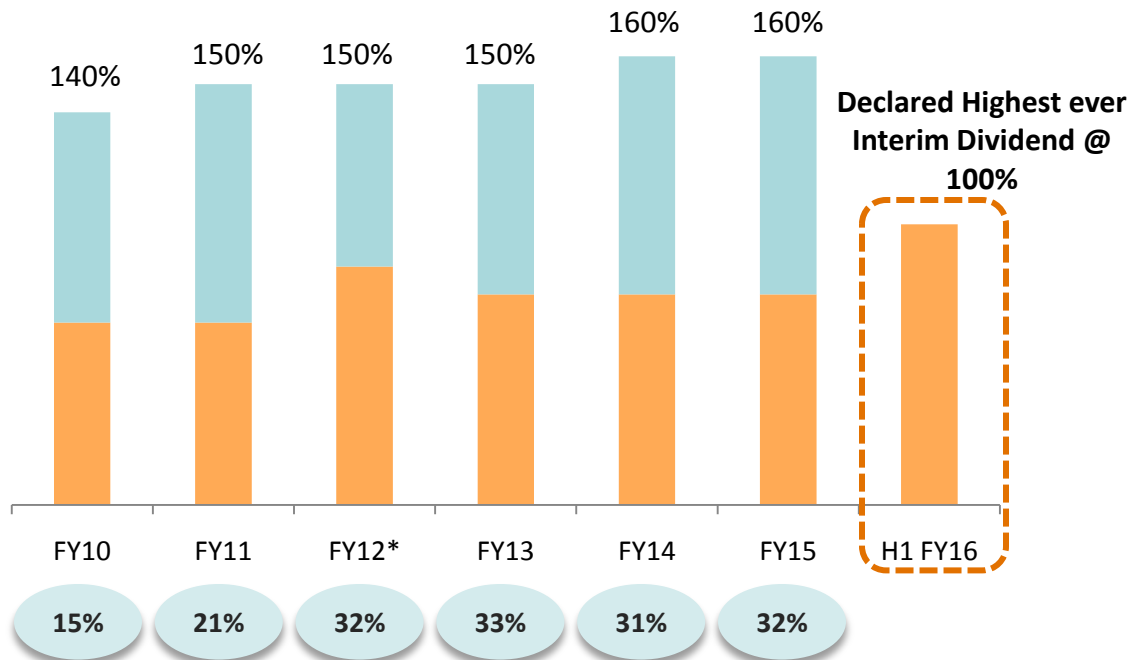
Profit After Tax



- ✓ Revenue growth driven by:
 - ✓ Higher volumes
 - ✓ Better realizations
- ✓ Margins expanded mainly on account of operating leverage
- ✓ Near-term outlook is positive
- ✓ Declared Interim Dividend @100%, i.e Rs. 10 per equity share

Consistent Dividend Performance

Dividend as % of Face Value



Robust Dividend Payout

- ✓ Continuous Dividend since last 10 years
- ✓ Special Dividend of Rs. 60 per share in FY 12
- ✓ Payout Ratio of more than 30% in last 4 years
- ✓ Total dividend of Rs.16 per share in FY15

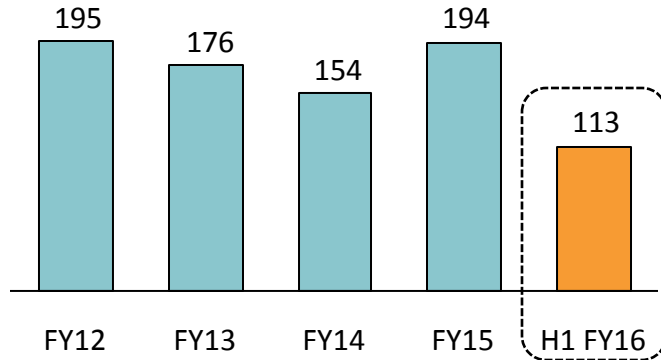
Pay out Ratio = DPS / EPS

Declared Interim Dividend of Rs.10 per share in H1 FY16

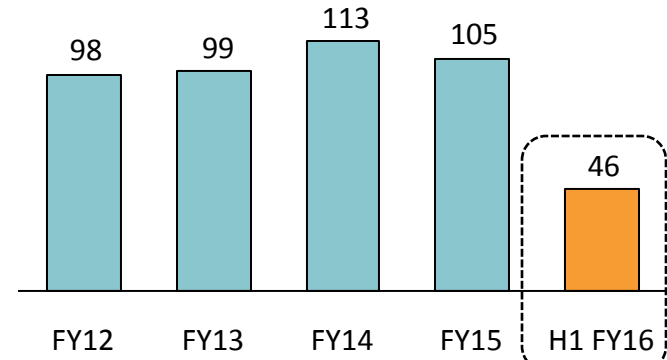


Business Units Performance

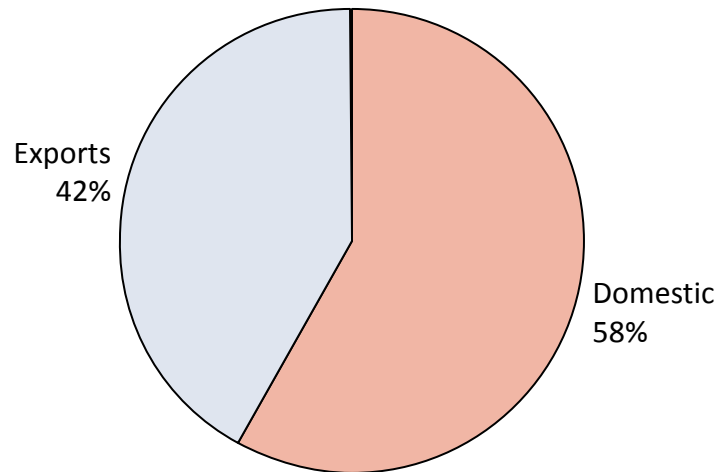
Refrigerants



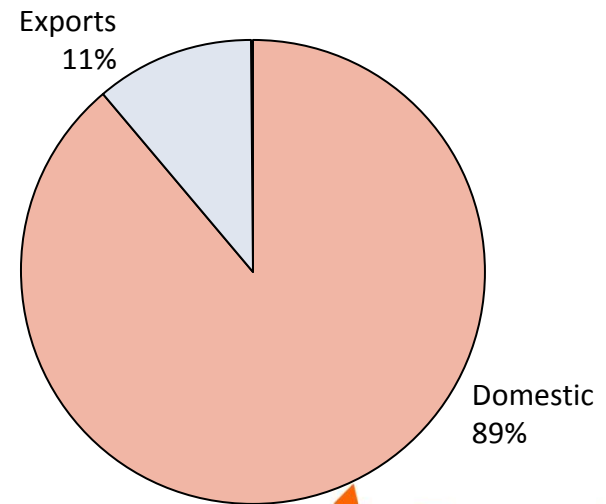
Inorganic Fluorides



Revenue (Rs.Crs)

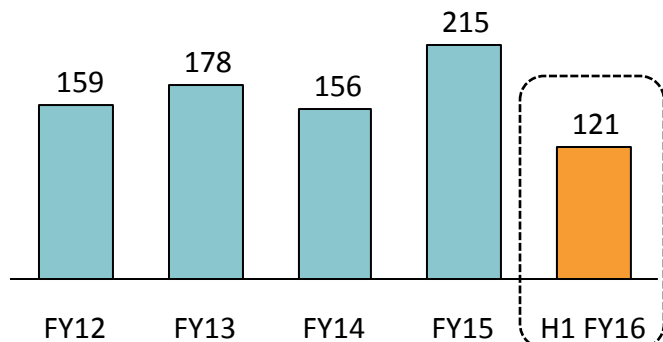


Geographic Mix – H1 FY16



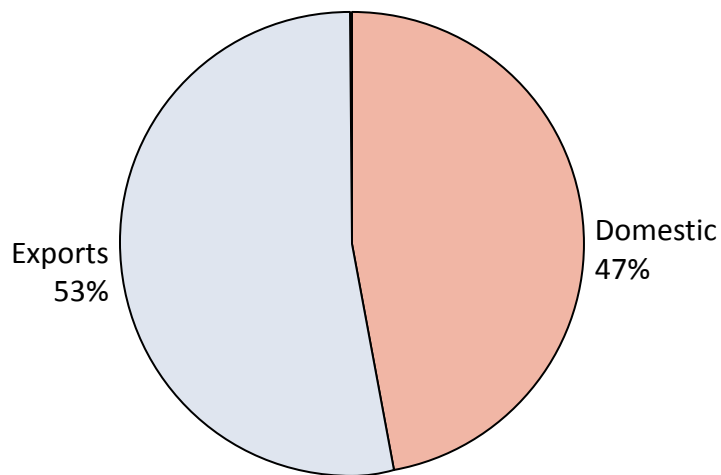
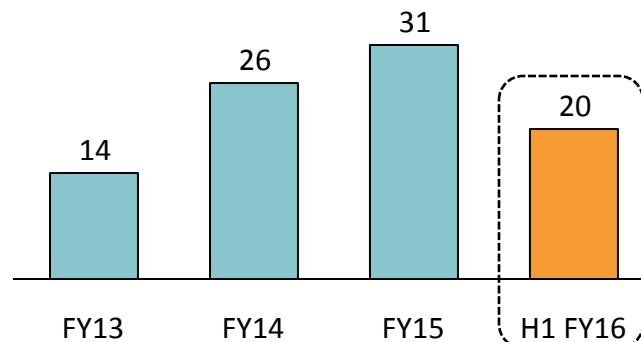
Business Units Performance

Specialty Chemicals



Revenue (Rs.Crs)

CRAMS*



Geographic Mix – H1 FY16



Focus on CRAMS Business continues

- ✓ **Acquired balance 49% stake in Manchester Organics Ltd (MOL), UK ...**
 - ✓ MOL is engaged in Specialized Chemical Research & Development
 - ✓ In May 2011, acquired 51% controlling stake in MOL to derive value from its fluorination chemistry
 - ✓ Company continues to invest in CRAMS business, by acquiring balance 49% stake in MOL at an aggregate price of £6.30 million in Oct 2015
 - ✓ MOL brings access to cutting edge fluorination chemistries resulting in enhancement of fluorination capabilities to add more value to product portfolio

... To Leverage “Combined Scope & Scale of Operations”

Manchester Organics - In Perfect Synergy with CRAMS



- ✓ Established in 1996, Manchester Organic Ltd (MOL) has a strong legacy in fluorination and high pressure chemistry

- ✓ Specialist in fluorination technology, with expertise in general organic synthesis at all scales

- ✓ Continuously expanding product catalogue of over 40,000 compounds, some exclusive to MOL

- ✓ Offer over 60 years of combined chemistry experience to customers

- ✓ Milligram to multi-kilo research/production facility in the UK with high pressure/specialist fluorination facility

- ✓ Works directly with R&D Team of Innovator Pharma Companies



Focus on Capex : Catalyst for Growth

✓ **Greenfield Facility at Dahej, Gujarat.**

- ✓ JV with Piramal Enterprises Ltd. (PEL)
- ✓ Facility to develop, manufacture and sell speciality Fluorochemicals for healthcare segment
- ✓ Current estimates of investments ~Rs.140 Crs
- ✓ Expected to come on-stream by H2FY16

✓ **Manufacturing Facility at Dewas**

- ✓ Setting up manufacturing facility for multi ton batch size for CRAMS business unit
- ✓ New facility will be India's only plant with high pressure fluorination and cGMP complaint capabilities
- ✓ Investment of ~Rs. 60 Crs
- ✓ Project Capitalized as on 30th Sept 2015
- ✓ Customer audits under way



Standalone Profitability Statement

Rs. Crs.	Q2 FY16	Q2 FY15	Change %	H1 FY16	H1 FY15	Change %	FY15
Revenue	151	124	22%	301	254	19%	546
Raw Material	63	59		134	124		272
Employee Expenses	15	14		31	31		61
Other Expenses	41	38		78	74		150
EBITDA	32	14	129%	57	26	119%	63
EBITDA Margin	21.0%	11.2%		19.0%	10.3%		11.6%
Interest Expenses	1	1		1	1		3
Depreciation	5	4		9	9		19
Operating PBT	26	9	205%	47	16	189%	41
Operating PBT Margin	17.4%	6.9%		15.6%	6.4%		7.6%
Other Income	9	6		13	10		27
PBT	35	14		60	26		68
Tax	12	4		18	7		19
Profit After Tax	23	10	130%	41	19	123%	49
Profit After Tax Margin	15.4%	8.1%		13.7%	7.3%		9.0%



Standalone Balance Sheet

Rs. Crs.	Sep-15	Mar-15
Shareholder's Fund		
Share capital	10	10
Reserves & Surplus	591	561
Non-current liabilities		
Long term borrowings	-	12
Deferred Tax Liabilities	34	32
Other non-current liabilities	27	26
Current liabilities		
Short term borrowings	32	33
Trade Payables	60	88
Other current liabilities	30	29
Total Liabilities	784	792

Rs. Crs.	Sep-15	Mar-15
Non-current assets		
Fixed assets	286	270
Non Current Investments	201	179
Long-term loans and advances	48	68
Current assets		
Current Investments	30	55
Inventories	74	66
Trade receivables	94	110
Cash and bank balances	18	14
Short-term loans and advances	30	27
Other current assets	3	3
Total Assets	784	792

Business Overview



Overview



Largest Integrated Specialty Fluorochemical Company in India

Building “India’s only plant with high pressure fluorination capabilities with cGMP compliance” for CRAMS Business

Manufacturing plants strategically located closer to major ports

Over 45 years of expertise in Handling Fluorine

Strong Clientele base in India & abroad, including Global Innovators

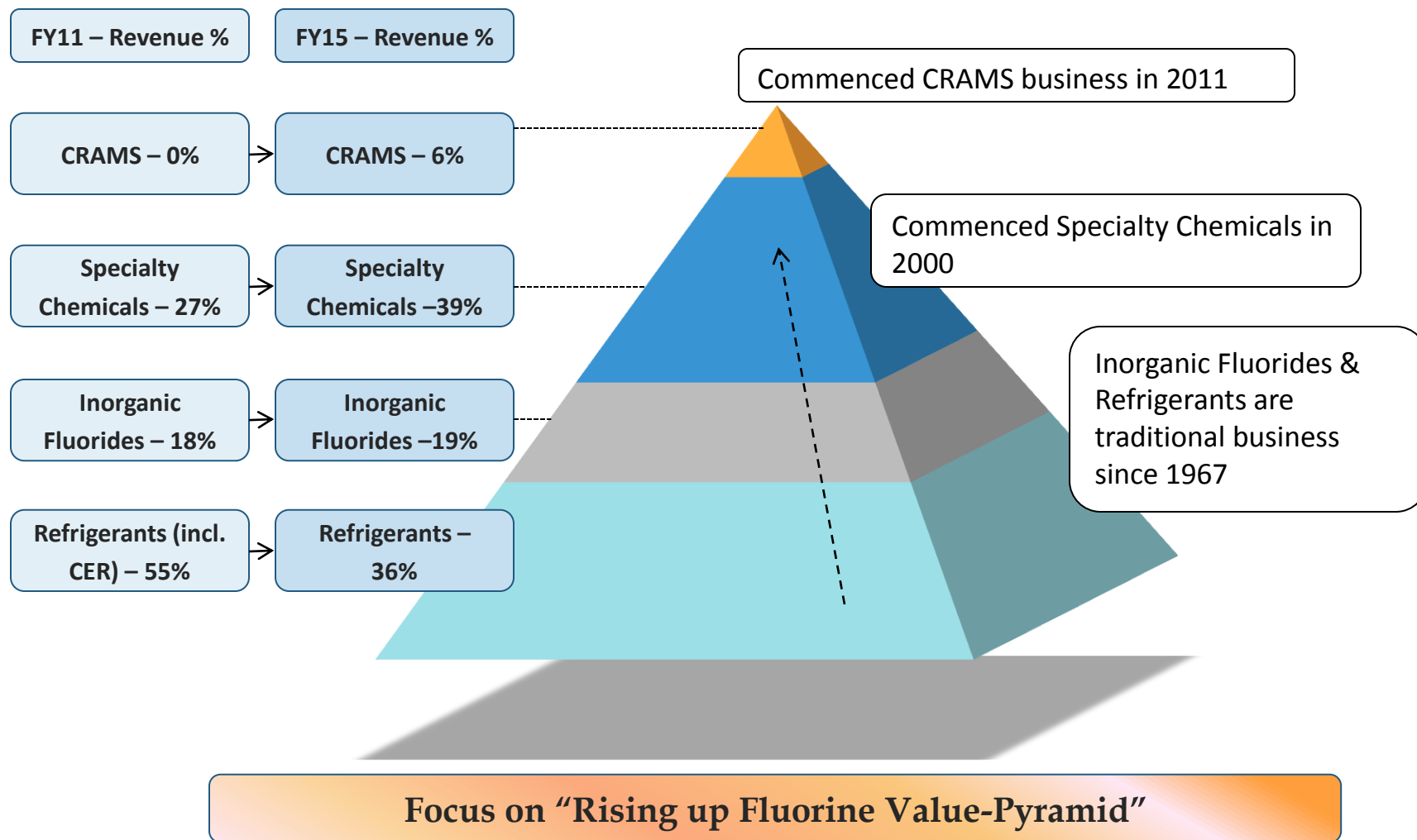
Pioneers of Refrigerant Gas manufacturing in India

“RESPONSIBLE CARE” certification



ARVIND MAFATLAL GROUP

Business Units (BU) - Standalone



Clients across the Globe



CLARIANT



syngenta



ARVIND MAFATLAL GROUP

Key Strengths

Fluorination Capabilities

- ✓ Pioneered Manufacturing of Refrigerant Gases in India
- ✓ Over 45 years of experience in handling Fluorine
- ✓ Extensive expertise focusing on specialty fluorine chemistry

Manufacturing

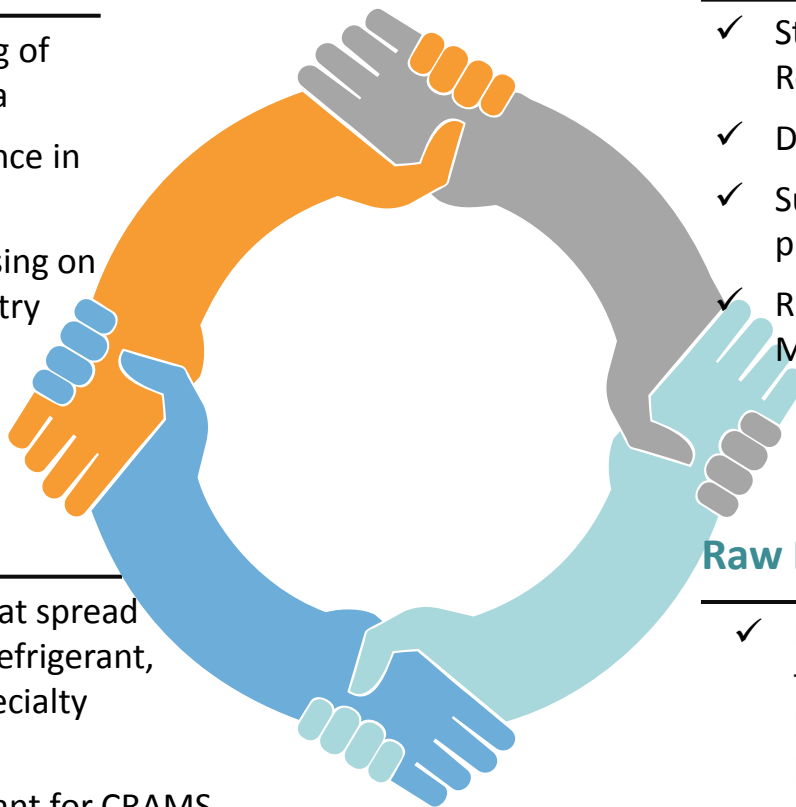
- ✓ Chemical Complex at Surat spread over 135 acres, houses Refrigerant, Inorganic Fluorides & Specialty Chemicals Plants
- ✓ cGMP Compliant Pilot plant for CRAMS in Dewas
- ✓ cGMP Compliant Manufacturing plant for CRAMS to come up at Dewas soon

In-house R&D

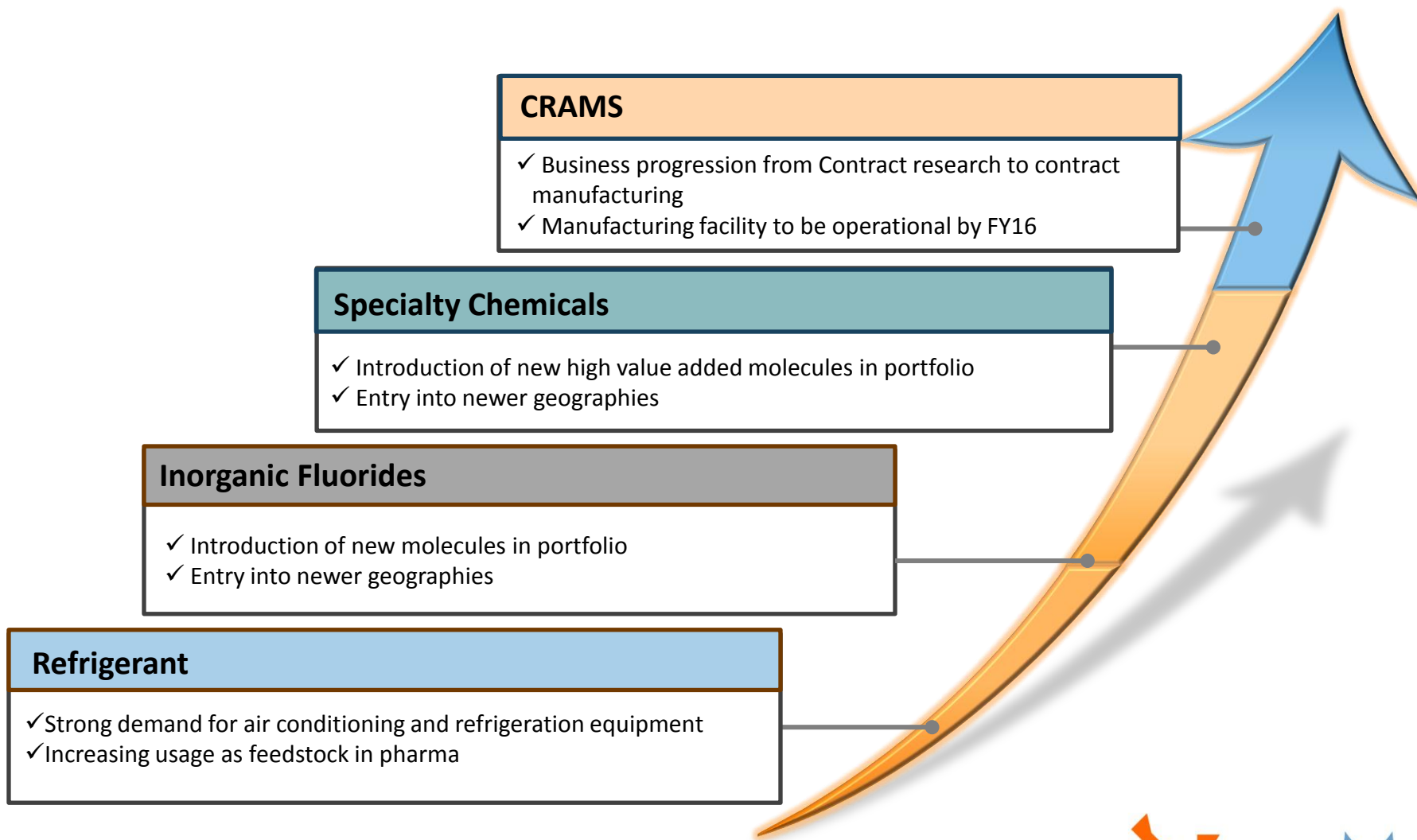
- ✓ State-of-the-art R&D centre – Navin Research Innovation Centre at Surat
- ✓ DSIR approved R&D Centre
- ✓ Supports in product addition & process efficiency in all business units
- ✓ R&D strength augmented by Manchester Organics Acquisition

Raw Material Sourcing

- ✓ Backward integration for Raw material through 25% JV partner in the only Fluorspar beneficiation company in India
- ✓ Supply from JV to commence in FY17
- ✓ Diversified sourcing of Fluorspar away from China



Growth driven by Every Business Unit



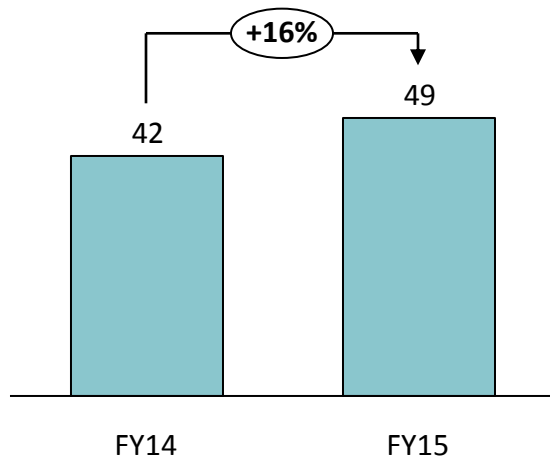


Historical Financial Data

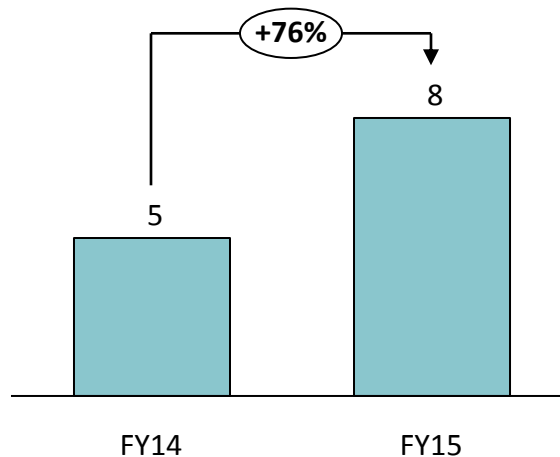


MOL Performance

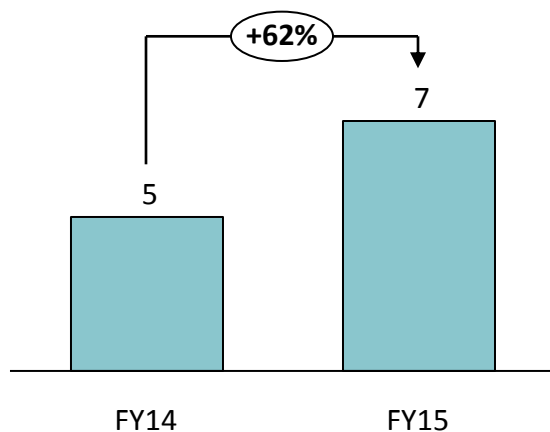
Revenue (Rs.Crs)



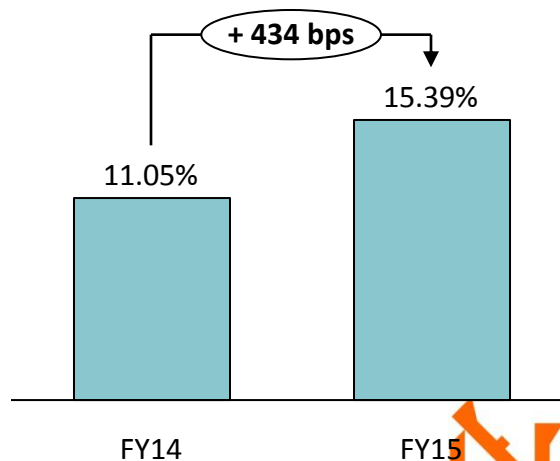
PBT (Rs.Crs)



PAT (Rs.Crs)



PAT Margin %



Consolidated Profitability Statement

Rs. Crs.	FY15	FY14	Change %
Revenue	592	486	22%
Raw Material	289	228	
Employee Expenses	74	59	
Other Expenses	156	133	
EBITDA	72	66	9.4%
EBITDA Margin	12.2%	13.6%	
Interest Expenses	3	6	
Depreciation	20	22	
Operating PBT	49	39	26%
Operating PBT Margin	8.24%	7.94%	
Other Income	30	31	
PBT	78	69	
Tax	20	15	
Profit After Tax	58	55	
Minority Interest	(4)		
Extraordinary Items	-	11	
PAT after Minority Interest and Extraordinary Items	55	66	



Consolidated Balance Sheet

Rs. Crs.	Mar'15	Mar'14
Shareholder's Fund		
Share capital	10	10
Reserves & Surplus	578	546
Minority Interest	13	9
Non-current liabilities		
Long term borrowings	27	-
Deferred Tax Liabilities (net)	32	33
Other non-current liabilities	28	28
Current liabilities		
Short term borrowings	34	57
Trade Payables	89	61
Other current liabilities	41	35
Total Liabilities	852	779
Non-current assets		
Fixed assets	293	253
Goodwill on Consolidation	41	41
Non-current Investments	116	102
Long-term loans and advances	91	32
Current assets		
Current Investments	55	128
Inventories	76	66
Trade receivables	120	90
Cash and bank balances	28	38
Short Term Loans & Advances	28	26
Other current assets	4	3
Total Assets	852	779



For further information, please contact:

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